

Request for Proposals

“Green Power”

Customer Education and Market Building

I. Introduction and Summary

The Rhode Island Renewable Energy Collaborative (the Collaborative) announces the availability of **\$350,000** to support the development of sustainable demand for “green power” among customers within Rhode Island. The Collaborative invites proposals by non-profit organizations, consultants, public relations firms, businesses, government entities, and others to engage in green power market-building activities such as:

- Creating and distributing green power educational materials;
- Promoting green power purchases by educating large and small customers in a targeted manner (for example through existing or potential customer aggregations, or along affinity channels such as through membership organizations or other affiliations, or using internet-based communication);
- Establishing and developing buying groups or aggregations for the purpose of purchasing green power.

The activities covered under this RFP are intended to focus primarily on maximizing the regional development of grid-based renewable resources supported by a market for green power, and not solely upon customer-sited renewable energy applications.

The Collaborative’s goals for these activities include: educating customers in Rhode Island regarding the benefits of renewable power and the opportunities to influence the regional power supply through their electricity purchase decisions, building critical mass for the development of a sustainable green power market, demonstrating consumers’ willingness to pay for renewable energy, raising the profile of the overall suite of Collaborative programs, providing public relations leverage, and ultimately enticing marketers to offer and Rhode Island customers to purchase high quality green power products. Under this RFP, the Collaborative expects to fund multiple proposals.

This program is flexible and is intended to support creative and effective initiatives by non-profits, consultants, and others. Bidders are encouraged to propose innovative approaches to maximize the impact of the available funds. Proposals will be evaluated on several factors, including cost; approach; quality of proposal team; likelihood of success; leverage (i.e. other funds or efforts that will support or have recently supported the proposed activities); and administrative ease.

Please note that this funding is not to be used by marketers to promote specific green power products. Please refer to the Collaborative's programs to support retail marketing described below.

Responses to the RFP will be accepted on a first-come, first serve basis **until February 1, 2002**. The Collaborative will entertain proposals thereafter if funds are available.

II. Background

The Rhode Island Utility Restructuring Act of 1996 (the Act) is restructuring the electric utility industry in Rhode Island. As part of the Act, Rhode Island electric utilities are required to include an annual charge of at least 2.3 mills per kWh to fund demand-side management (DSM) programs and renewable energy resources for a five-year period beginning on January 1, 1997. Funding has recently been extended for an additional five years. The Rhode Island Public Utility Commission (PUC) is responsible for approving the distribution of funds between DSM and renewable technologies. .

In order to help promote a well-coordinated statewide effort to support renewable generation, electric utilities of Rhode Island (Narragansett Electric and Pascoag Utility District) along with the Division of Public Utilities and Carriers, the Rhode Island State Energy Office, and The Energy Council of Rhode Island (TEC-RI) together have formed a group known as the Rhode Island Renewable Energy Collaborative modeled after the successful Rhode Island Demand-Side Management Collaboratives. The role of the Collaborative is to help administer the renewable energy portion of the available funds.

Several proposed renewable energy programs intended to jump-start and build the long-term market demand for energy from renewable resources in Rhode Island were approved by the Rhode Island PUC. In addition to the program described in these guidelines, other programs of most relevance to this RFP include:

- **Renewable Supply Open RFP** for new renewable energy projects located in New England that meet eligibility criteria and that serve Rhode

Island customers directly through competitive retail electric supply or via “certificate-only” contracts. Budget: at least \$1.25 million.

- **Large Customer Open RFP** for retail electricity suppliers enrolling large commercial, industrial or institutional customers with high-quality green power products that meet certain minimum criteria. Budget: \$500,000.
- **Small Customer Incentive Program** for registered retail electricity suppliers enrolling residential and small commercial customers with high-quality green power products that meet certain minimum criteria. The program provides suppliers with a per-customer rebate for signing up residential and small commercial customers to qualifying green power offerings. Budget: \$1.75 million.

These programs are intended, in combination, to begin to initiate a base of regional renewable energy generation and build a long-term customer-driven green power market to support that generation within Rhode Island. Applicants to this RFP should become familiar with other approved programs offered by the Collaborative before submitting project proposals and may participate in more than one program or team with other program participants. For example, a retail electricity supplier may jointly seek to pursue large customer demand incentives, while also pursuing supply incentives with a generator.

III. RFP Details

Bidder Eligibility

Non-profit organizations (i.e. environmental, low-income consumer, faith-based etc.), public relations firms, consultants, government entities, companies and others with a strong interest and/or presence (or intended presence) in the Rhode Island market are encouraged to submit proposals under this RFP. The Collaborative has other initiatives targeted to the needs of electricity marketing companies so we would encourage these organizations to consider our Renewable Energy **Customer Incentive** and **Supply** programs before responding to this RFP.

Objectives

The Collaborative is interested in funding activities that support the creation of a sustainable market for green power within the state of Rhode Island, by:

- Educating customers in Rhode Island regarding the benefits of renewable power and the opportunities to influence the regional power supply through their electricity purchase decisions;
- Building critical mass for the development of a sustainable green power market;
- Demonstrating consumers' willingness to pay for renewable energy;
- Raising the profile of the overall suite of Collaborative programs; and
- Enticing marketers to offer and customers to purchase high quality green power products in Rhode Island.

The proposed efforts must encourage green power product offerings that maximize the percentages of energy produced from New England-based renewable generation sources; that maximize the amount of *new* renewable generation (defined as those facilities that first entered commercial operation after January 1, 1998); and that encourage sustained commitment from customers to purchase or support green power based on renewable energy's environmental or price-stability benefits. Renewable generation is defined in the Act as power generation technologies that produce electricity from either wind, small scale (less than 100 MW) hydropower¹, solar energy and sustainably-managed biomass², and fuel cells using renewable or non-renewable fuels;

Proposal Eligibility

The Collaborative will fund activities that achieve these objectives by either:

- Creating and distributing green power educational materials and promoting green power purchases by educating large and small customers in a targeted manner (for example through existing or potential customer aggregations³; along affinity channels such as through

¹ Hydropower must not require the construction of new dams.

² The Collaborative considers "*sustainably managed biomass*" to include, at a minimum, generation utilizing landfill methane or digester gas in internal combustion engines, micro-turbines, or fuel cells. Applicants may propose other biomass fuel and generation configurations, however the burden will be upon the applicant to explain and justify why the proposed project and its fuel stream should be considered sustainably-managed biomass. The Collaborative will post on its web site any changes to its working definition of sustainably-managed biomass, as well as any interpretations intended to set precedent.

³ A demand aggregator differs from a power marketer by virtue of the fact that aggregators do not "take title" to the green resource and then resell it to customers. Aggregators gather together electric customers and facilitate contracts between these customers and a retail energy marketer.

membership organizations or other affiliations; or using internet-based communication). Such materials must be broad-based education not associated with the marketing of any particular green power provider or product⁴;

- Establishing and developing buying groups or aggregations for the purpose of purchasing green power. Organizations seeking to aggregate customers for green power purchases may seek startup funding for their efforts through this RFP.

Fund Availability and Distribution

\$350,000 is available under this RFP in 2001. Applications may be submitted at any time after receipt of this RFP through February 1, 2002. The Collaborative may distribute funds over several years to projects approved during 2001. In such cases, funding will be extended for a maximum of three years after proposal acceptance.

Evaluation Criteria

The Collaborative seeks to provide the maximum degree of flexibility to bidders in structuring their proposal and the funding under that proposal. In evaluating proposals and selecting those to fund, the Collaborative will use multiple criteria including:

- **Proposal's Efficacy in Meeting Objectives.** The Collaborative will evaluate the degree to which the proposal targets the objectives as stated above, and in particular the degree to which the proposed plan can potentially reach, educate and influence a large number of smaller consumers or a significant number of larger businesses or institutions, or are capable of providing public relations leverage.
- **Quality of Work Plan.** The quality of the work plan proposed, and the degree it makes a compelling case for the proposed project's success. Key factors will be definition and reasonableness of the objectives, the logic of the work plan; the clarity and "measurability" of the key tasks, objectives and milestones required to achieve a successful result; and the deployment of project resources against the tasks in the work plan.
- **Qualifications and Experience.** The degree to which the proposing organization or team (or its individuals) demonstrates a command of the

⁴ Materials listing all offerings available in the region may be considered.

issues associated with “green power”, and has a track record of conducting successful outreach to comparable target audiences or successfully aggregating customers for the purchase of green power or encouraging similar action. In addition, the Collaborative will evaluate each proposal considering the credibility the project team might have with its target audience. Strategies proposed to build credibility of the project and the green power communications are also important.

- **Likelihood of Success.** The Collaborative will favor proposals that have a high degree of likelihood of success, where success will be measured by the expected success in moving the largest number of customers and their associated load towards a sustained commitment to green power purchases. The degree to which the proposed plan contains realistic estimates of the staffing and/or funding required to accomplish the proposed objective, the degree to which activities are successfully targeted, the specificity of the work plan and milestones proposed, and the experience of the applicant will also be considered here. All else equal, proposals with earlier start dates will be preferred. However, the Collaborative will work with selected applicants to optimize timing of activities in relation to its other programs.
- **Leverage.** Efforts that are coordinated and/or co-funded with activities in other states in New England or with related target audiences in other areas are encouraged. The degree to which the proposal leverages the other ongoing or past activities of the applicant (e.g. materials already created that can be adapted to RI market) will also be considered.
- **Rhode Island Presence.** Although not a requirement for success in this solicitation, the Collaborative will favor proposals that, through team members, partners, or other affiliations, have a strong presence in Rhode Island or will create a strong presence in RI.
- **Administrative Ease.** Proposals for fund distribution that are easy to verify and administer will be preferred.

After evaluating proposals, bidders may be asked to provide more detailed information before the Collaborative completes its selection process. The Collaborative, after receiving bids, reserves the right to not seek approval for any or all of these proposals. Final approval is subject to review by the Rhode Island PUC and continued availability of funds.

IV. Proposal Application for Funding Package

Proposals must contain the following key elements. Proposals that do not include this mandatory information will be disqualified.

Cover Letter

Cover letter should acknowledge the proposal transmittal, and should certify to the accuracy of the information submitted in the proposal.

Contact Information Form

The form is included as Attachment A to this solicitation.

Executive Summary

Provide an executive summary of the proposal not to exceed 2 pages.

Proposal

- **Overall Proposal Description:** Applicant should provide an overall description of the content of their proposal. The description should describe how the project meets the Collaborative's objectives and how it aligns with the evaluation criteria described herein.
- **Project Work Plan, Milestones, Funding Request, Status and Timeline:** Applicant should provide a thorough work plan along with a set of key funding milestones and/or deliverables. Funding milestones can include requirements for ongoing project activity as well as major expense items like media advertising initiatives or events. Applicants must describe in detail the amount and structure of the project funding that they are requesting from the Collaborative. Projects that have a high degree of co-funding from other parties, foundations, state funds, etc. will be favored. Applicants will provide a description of the status and proposed timeline of their project/contract. All proposals must have a realistically attainable expected timeline. Other information documenting the likelihood of project completion should be provided here. Letters of commitment from customers, partners, or target groups (to the extent applicable) are requested as an attachment.
- **Management and Staffing:** The applicant should provide a detailed description of the project team, its management structure and staffing requirements. The resumes of the contact person, project manager and all key individuals should be included as attachments.

- **Qualifications:** The applicant should detail the qualifications of the proposing organization or team (or its individuals), detailing its command of the issues associated with “green power”, its track record of successful outreach to comparable target audiences, successfully aggregating customers for the purchase of green power or encouraging similar action. The applicant should describe past activities that relate to the proposed work plan, particularly those that may provide leverage to the applicant’s proposal. Two references should be included.
- **Proposed Leveraging Activities.** The applicant should describe any coordination with, or co-funding by, other states in New England or with related target audiences in other areas. The applicant should describe any other ongoing or past activities (e.g. materials already created that can be adapted to RI market) that provide leverage to the proposal.

Attachments

- The resumes of the identified contact person (mandatory) as well as key team members.
- Documentation of Proposal Accuracy: Any documentation to warrant or demonstrate the accuracy of the information provided in the proposal should be attached here. For example, if specific electricity customers or other organizations are identified in the proposal, where possible, bidders should provide a letter of commitment from those customers or organizations indicating their intention to participate.
- Sample Materials (if applicable).

Proposal Length

Not including cover letter and attachments, proposals should not exceed 20 single spaced pages.

V. Proposal Submission

Proposal Submission Date

This RFP shall remain open to proposals **until February 1, 2002.**

Delivery Instructions

Six bound copies, one unbound copy, and an electronic copy of bidder's proposal should be submitted to:

Kate Ringe-Welch
Principal Analyst
Narragansett Electric Company
280 Melrose Street
Providence, RI 02901

Renewables.collaborative@us.ngrid.com

Written Questions

Questions should be directed in writing to Ms. Ringe-Welch of Narragansett Electric at the address and e-mail above.

Treatment of Proposals

Proposals will be confidentially reviewed by members of the Collaborative and its consultants. The Collaborative reserves the right to not select any submitted bid. The costs incurred for preparation of the bidders' proposals will not be reimbursed.

The Collaborative will review any and all proposals on a first come, first serve basis as quickly as feasible. Unsuccessful applicants will be notified that their proposals were not accepted and the reasons for non-acceptance. At the sole discretion of the Collaborative, applicants may be given the opportunity to amend their proposal for resubmission.

Funding Contract

The Narragansett Electric Company or the Pascoag Utility District will issue a purchase order which will constitute the contract for funding. The contract will provide that continued funding is subject to Rhode Island Gen. Laws Section 39-2-1.2(b) and the PUC's allocation of funds to cover this project.

The Collaborative reserves the right to terminate any funding agreement awarded through this solicitation for reasonable cause, including: (1) material change in the project as it is described in the application, (2) the Collaborative

loses contact with the applicant for a period of months, (3) the applicants are determined to have knowingly provided false or misleading information to the Collaborative.

Attachment A - Contact Information Form

Each applicant must provide the following information with its proposal.

- Organization or company name(s)

- Mailing address

- Main telephone number:

- Main fax number:

- Website address:

- Applicant primary contact person(s):

Name: _____

title: _____

phone number: _____

fax: _____

e-mail: : _____

- List of key members of project team:

- Description of main business of applicant(s)

- If multiple organizations are involved in a single proposal, description of relationship between organizations
